

Exhibit B

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA,) CR. NO. 02-00225 (01) DAE
)
Plaintiff,)
)
vs.)
)
ANDY S.S. YIP, (01))
BRENDA M.O. CHUNG (02),)
)
Defendants.)
_____)

ORDER DENYING DEFENDANT YIP'S MOTION
FOR JUDGMENT NOTWITHSTANDING VERDICT AS TO COUNT 1

On November 13, 2007, the Court heard Defendant Yip's Motion (Doc. # 288). Leslie Osborne, Assistant U.S. Attorney, appeared at the hearing on behalf of Plaintiff; Howard T. Chang, Esq., appeared at the hearing on behalf of Defendant Yip. After reviewing the motion and the supporting and opposing memoranda, the Court DENIES Defendant Yip's Motion.

BACKGROUND

Defendant Yip was charged with the following counts: (1) conspiracy to defraud the United States for the purpose of obstructing the Internal Revenue Service ("IRS") in the ascertainment, computation and collection of federal income taxes during an audit of Yip's 1995 and 1996 joint Federal Income tax returns, in

violation of 18 U.S.C. § 371; (2) willfully making and subscribing a false income tax return for the calendar year 1999, in violation of 26 U.S.C. § 7206(1); and (3) and (4) willfully failing to file reports of foreign bank accounts, in violation of 31 U.S.C. §§ 5314 and 5322(b), and 31 C.F.R. §§ 103.24 and 103.27(c) and (d).

Brenda Chung was also charged with conspiracy to defraud the United States, and two other counts.

Defendant Yip was charged with other counts of falsifying his tax returns in earlier years, to which he pled guilty on August 13, 2007. On September 14, 2007, the jury returned its verdict finding Defendant Yip guilty as to all Counts. However, the jury found codefendant Brenda Chung not guilty of all the counts with which she was charged, including the conspiracy count.

On September 21, 2007, Defendant Yip filed a motion for judgment notwithstanding the verdict as to Count 1, the conspiracy charge. Defendant argues that the Government failed to show that Yip entered into an agreement with any coconspirator to commit the conspiracy. The Government filed its opposition on October 18, 2007, and a supplement thereto on October 26, 2007. Defendant Yip filed a reply on November 6, 2007.